

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

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In re:

CHAPTER 11

LACOS INC. d/b/a BLACK & BLUE,

Case No.: 10-70772

Debtor.

AFFIDAVIT PURSUANT TO
RULE 1007-3

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STATE OF NEW YORK)
COUNTY OF SUFFOLK)ss:

LUIGI ALOE, being duly sworn, deposes and say:

1. I am the President of Lacos Inc., the debtor herein.

2. The debtor is a New York corporation doing business as a restaurant. The circumstances leading to this filing was due to the debtor's failure to remain current with its obligations. Due to a recent sales tax audit, New York State Department of Taxation closed the business down due to past due sales tax in excess of \$100,000.

3. The names and addresses of the twenty (20) largest creditors of the Debtor, excluding those creditors who would not be entitled to vote at a creditors' meeting under Rule 1007 and Section 1102 of the Bankruptcy Code, such creditors as were insiders of the Debtor at the time of the filing are as follows:

4. To the best of my knowledge, information and belief there are lawsuits pending against the debtor and all litigation is set forth in the debtor's schedules.

5. There is no prior bankruptcy proceeding and no case Trustee has appointed.

6. The debtor leases premises located at 65 Wall Street, Huntington, New York 11743 which has 4 years left on the current lease with a 5 year option at a monthly rent of approximately \$6,057.00 plus electricity, real estate taxes in monthly sum of \$1,200 and monthly maintenance of the common area of approximately \$800.00 per month.

7. This case is commenced as a Chapter 11 proceeding and at this time, upon information and belief, no Creditors' Committee has been organized.

8. It is anticipated that the debtor will operate at deficit level for the next thirty (30) days and will receive approximately \$90,000 in gross receipts. The debtor's monthly operating expenses are approximately \$86,150.00 consisting of the following:

Food	\$27,000
Non-officer salary	25,000
Officer salary	4,300
Insurance	2,800
Garbage	500
Rent	8,100
Repair & Maintenance	250
Utilities	8,800
Office equipment	200
Kitchen equipment	200
Sales tax	5,500
Accounting fee	500
Payroll tax	<u>3,000</u>
Total expense	\$86,150

9. Upon information and belief, there are no secured creditor.

10. The debtor's assets and the debtor's liabilities are set forth in the annexed schedules.

11. No stocks, bonds, debentures or other securities of the debtor have been publicly issued.

12. None of the debtor's property is in the possession or control of any custodian, public officer, mortgagee, pledge, assignee of rents, a secured creditor or agent of any such entity.

13. All of the debtor's assets are located at 65 Wall Street, Huntington, New York 11743. The location of its books and records are at the above address. No assets of the debtor are outside of the territorial limits of the United States.

14. The name and address of the existing senior management is Luigi Aloe.

/s/ Luigi Aloe

LUIGI ALOE

Sworn to before me this
5th day of February, 2010
/s/ Jeanette Hodgins

NOTARY PUBLIC
Jeanette Hodgins
Notary Public, State of New York
No. 01Ho6071591
Qualified in Suffolk County
Commission expires March 18, 2010